



6/8/05

GRANHOLM BOND PROPOSAL

SB 533 (Garcia)

SB 533 is the Republican response to the Governor's \$2 billion "Jobs For Michigan" bond proposal. As currently written, SB 533 would allow for a bond fund of \$1 billion over 10 years. It would also create the Strategic Economic Investment Bond Fund. The money then would be used to encourage economic growth in four emerging sectors of the economy, life sciences, advanced automotive manufacturing, alternative energy and homeland security.

Support (for the Governor's \$2 billion proposal): Department of Labor and Economic Growth, MEDC, Department of Treasury, Mich-Bio, Wayne State University, Western Michigan University, University of Michigan, Van Andel Institute, Michigan Tech University, Oakland County Executive, Michigan State University, Michigan Environmental Council, NextEnergy.

Oppose: Michigan Chamber of Commerce.

- Committee 1 (S-4) was defeated.
- Garcia 2 (S-5) was adopted.
- EMERSON 2A-F were withdrawn.
- SB 533 was moved to 3rd Reading.

SJR C (JACOBS)

If approved by the voters in the November 2005 election, SJR C would amend the state Constitution to allow the state to issue up to \$1 billion in bonds without the explicit approval of the voters for the purposes of economic development in high-tech and competitive edge technologies. The funds would be spent as provided by law in Senate Bill 533.

- Committee 1 (S-6) was defeated.
- Garcia 2 (S-7) was adopted.
- EMERSON 2A (7 amends) was withdrawn.
- SJR C was moved to 3rd Reading.

FINAL PASSAGE

SB 406 (CLARK-COLEMAN)

SB 407 (SWITLASKI)

SB 408 (CLARKE)

SB 410 (LELAND)

SB 411 (CHERRY)

SBs 406-11 would realize \$41.1 million for the School Aid Fund in the current year and \$44.5 million in 2006. Additionally, the bills stem the growth of debt service costs which could grow from the current \$44 million to nearly \$200 million in 2021.

SB 406 would repeal the existing School Bond Load fund law and create the School Bond Qualification, Approval and Loan Act. Under the bill, school districts apply to the State Treasurer for prequalification of a proposed school bond issue. The main change in the new statute will be a requirement that the school district will be able to repay all outstanding qualified loans at the times stated. Current practice has allowed districts to roll over loans and push out the date for repaying the state.

- *Committee 1 (S-3) was adopted. (6/7)*
- *Cropsey 1A (1 amend) was adopted. This would bring the felony provisions in the bill in line with current law.*
- *Garcia 1B (2 amends) was adopted. This would give schools one additional year to repay bonds.*
- *Garcia 1C (1 amend) was withdrawn.*
- *Johnson 1D (1 amend) was adopted.*
- *SB 406 was moved to 3rd Reading.*
- **CLARK-COLEMAN 1 (4 amends) was defeated [no RC]. (6/8)**
- **Garcia 2 (1 amend) was adopted [no RC]. This would allow school district to rollover their debt.**
- **SB 406 passed [RC 192: 33 yes, 5 no].**

SB 407 would establish the school loan revolving fund. Money in the revolving fund could be used only for making loans to school districts, securing notes issued by the Michigan Municipal Bond Authority to provide funds in the revolving fund, and pay the costs to administer the fund. The Bond Authority could also borrow against the school districts' expected repayments to establish the revolving fund.

- *Committee 1 (S-2) was adopted. (6/7)*
- *SB 407 was moved to 3rd Reading.*
- **SB 407 passed [RC 193: 37 yes, 0 no]. (6/8)**

SB 408 would provide that repayments on loans made through the new school loan revolving fund would be deposited in the revolving fund, instead of the General Fund. It would also allow the State Treasurer to put money repaid from the old school bond loan fund into the revolving fund.

- *Jelinek 1 (1 amend) was adopted. Tie-bar to the rest of the bills. (6/7)*
- *SB 408 was moved to 3rd Reading.*
- **SB 408 passed [RC 194: 38 yes, 0 no]. (6/8)**

SB 410 would allow the Treasurer to withhold state aid payments if a district defaulted on its payment of a loan from the state and did not make arrangements with the Treasurer for payment of the default.

- *Committee 1 (S-1) was adopted. (6/7)*
- *SB 410 was moved to 3rd Reading.*
- **SB 410 passed [RC 195: 38 yes, 0 no]. (6/8)**

SB 411 would establish criminal felony provisions for making a false statement or concealing information to obtain qualification of a school loan or improperly using bond proceeds. It would be punishable by a maximum of four years in prison.

- *Committee 1 (S-1) was adopted. (6/7)*
- *SB 411 was moved to 3rd Reading.*
- *SB 411 passed [RC 196: 38 yes, 0 no]. (6/8)*

SB 522 (McManus)

SB 522 would provide that a utility company could construct utility lines and structures, including pipelines, in the right-of-way of a limited access highway, including under any public road, street or other subsurface that intersects any limited access highway at a different grade, without first getting consent from the city, village or township where the project is located. The project must meet standards approved by the state transportation commission and the public service commission as well as conform to federal laws and regulations. The bill would create a \$1,000 per mile (\$5,000 minimum) fee on utilities that want to use limited access highway right-of-way.

Support: Wolverine Oil Company, Associated Petroleum Industries of MI, Michigan Manufacturers Association, Michigan Petroleum Association, Operating Engineers, Michigan Chamber of Commerce, Lansing Regional Chamber of Commerce.

Oppose: Michigan Municipal League, City of Lansing, Michigan Townships Association, Michigan Association of Counties.

- *BERNERO (1 amend) was defeated. Tie-bar to SBs 562-63 (BERNERO).*
- *LELAND 2 (S-2) was defeated. This would require arbitration if municipality and utility can not agree on a proposed route.*
- *BASHAM 3 (1 amend) was defeated. Pipelines could not be located with 50 feet of a residential building.*
- *BASHAM 4 (1 amend) was defeated. This would limit pipelines to petroleum products, only.*
- *SB 522 was moved to 3rd Reading.*
- *BERNERO (1 amend) was defeated [no RC]. Tie-bar to SBs 562-63 (BERNERO). SB 562 would establish safety and public input criteria to be used by the Public Service Commission in granting pipeline permits. SB 563 would establish an annual \$250/mile fee on a pipeline, with the funding being divided equally between the county(s) in which the pipeline is located and the state. The fee revenue would used for emergency management and fire protection.*
- *BERNERO 2 (S-2) was defeated [no RC]. This would require arbitration if municipality and utility can not agree on a proposed route.*
- *BERNERO motion to send the bill back to committee was defeated [no RC].*
- *SB 522 passed [RC 198: 29 yes, 9 no].*

HB 4551 (Elsenheimer)

HB 4551 would make it clear that two buildings can share an elevator provided other state elevator laws and rules are met. Sharing elevators can be a cost-effective way of accommodating additional residential and commercial space on the upper floors of adjoining buildings when those buildings, which are typically located in downtowns, undergo renovation. Reportedly, the law is not clear on this currently. All other elevator laws and rules would have to be satisfied. This legislation could assist in the redevelopment of downtowns in cities and villages throughout the state.

Support: Department of Labor and Economic Growth; the Department of History, Arts, and Libraries; the Michigan Association of Home Builders; the Michigan Environmental Council; and the Michigan Municipal League.

- *HB 4551 was moved to 3rd Reading. No amendments. (6/7)*
- **HB 4551 passed with IE [RC 197: 38 yes, 0 no]. (6/8)**

THIRD READING

SB 211 (Birkholz)
SB 212 (Van Woerkom)
SB 213 (Stamas)
SB 214 (BRATER)
SB 215 (Gilbert)
SB 216 (Patterson)
SB 217 (Allen)
SB 507 (Birkholz)

SBs 211-17 and SB 507 would provide a comprehensive strategy focused on enforcement, public education, control, and prevention of the spread of harmful fish, plants, and insects into the Great Lakes and our in-land lakes and streams.

SB 211 would define “prohibited aquatic plant species”, “prohibited insect species”, “prohibited fish species”, and “restricted aquatic plant species.”

- **Committee 1 (S-1) was defeated.**
- **Birkholz 2 (S-2) was adopted.**
- **SB 211 was moved to 3rd Reading.**

SB 212 would prohibit a person from possessing a prohibited or restricted species, subject to certain exceptions, or introducing a prohibited or restricted species.

- **Committee 1 (S-3) was adopted.**
- **SB 212 was moved to 3rd Reading.**

SB 213 would prohibit a person from knowingly introducing a prohibited, restricted, genetically engineered or nonnative fish, insect, or aquatic plant.

- **Committee 1 (S-1) was defeated.**
- **Birkholz 2 (S-2) was adopted.**
- **SB 213 was moved to 3rd Reading.**

SB 214 would revise the penalties for possession of prohibited or restricted species, and for failing to report the presence of a prohibited species to the Department of Natural Resources (DNR), the Michigan Department of Agriculture (MDA), or the Department of Environmental Quality (DEQ).

- **Committee 1 (S-1) was defeated.**
- **Birkholz 2 (S-3) was adopted.**

- SB 214 was moved to 3rd Reading.

SB 215 would create the Invasive Species Fund within the State Treasury. The bill also would require the DNR to post on its website the list of prohibited and restricted species, and the penalties for violating these laws.

- Committee 1 (S-1) was defeated.
- Birkholz 2 (S-3) was adopted.
- SB 215 was moved to 3rd Reading.

SB 216 would create the Nonnative Species Advisory Council, which would consist of four members appointed by the Senate Majority Leader and three members appointed by the Speaker of the House. The members first appointed to the Council would have to be appointed within 60 days after the bill's effective date.

- Committee 1 (S-2) was adopted.
- SB 216 was moved to 3rd Reading.

SB 217 would establish criteria for identifying water bodies infested by prohibited species, and monitor and promote efforts to rescind the exemption for ballast water discharges.

- Committee 1 (S-1) was defeated.
- Birkholz 2 (S-5) was adopted.
- SB 217 was moved to 3rd Reading.

SB 507 would include the possession or release of a genetically engineered, nonnative, or prohibited organism in the sentencing guidelines.

- Birkholz 1 (S-1) was withdrawn.
- Birkholz 2 (S-2) was adopted.
- SB 507 was moved to 3rd Reading.

SB 335 (JACOBS)

SB 335 would allow a child to possess and use a metered dose or dry powder inhaler, or an epinephrine auto-injector or inhaler at a children's camp. This will help protect children with severe allergies.

- Committee 1 (S-2) was adopted.
- SB 335 was moved to 3rd Reading.

SB 380 (George)

SB 380 would allow physician assistants to directly refer patients for physical therapy. Physician assistants have much more training and education now than when these regulations were put in place. It frees up the physician and allows the patient quicker access to physical therapy. Currently, a physical therapist can engage in the actual treatment of an individual only if prescribed by an individual holding a license other than a subfield license. Those include dentists, medical doctors, osteopaths and podiatrists.

Support: MI Physical Therapists Assn., Nurse Practitioners Assn., DCH.

- SB 380 was moved to 3rd Reading. No amendments.

SB 446-47 (JACOBS)

SB 446 would implement a 6% quality assurance assessment fee on any specialty prepaid health plan that has a managed care contract with the DCH. A specialty prepaid health plan is a managed care entity that provides Medicaid covered specialty services (mental health, developmental disabilities and substance abuse services) under a contract with the state and on the basis of prepaid capitation fee- to beneficiaries who need such care.

The 6% tax rate will generate \$89 million in tax revenue. \$35 million of the state restricted tax revenue will be used to offset general fund revenues in the Medicaid mental health and Medicaid substance abuse services appropriations. The remaining \$54 million will be used to earn \$70 million in federal Medicaid revenues. The result will be an additional \$124 million in revenue to fund a rate increase for community mental health and substance abuse providers.

- SB 446 was moved to 3rd Reading. No amendments.

SB 447 would require that specialty prepaid health plans be considered Medicaid managed care organizations. This would make it clear that the specialty prepaid health plans would be eligible for a quality assurance assessment program.

- SB 447 was moved to 3rd Reading. No amendments.

SB 482 (Allen)

SB 482 would allow tax increment funds to be used for the financing of “eligible activities.” Under the act eligible activities includes as baseline environmental assessment activities; due care activities; and additional response activities.

- Allen 1 (S-1) was adopted.
- SB 482 was moved to 3rd Reading.

SB 551 (Patterson)

SB 551 would eliminate a July 1, 2005, sunset on the Public Service Commission's (PSC's) authority to promulgate rules.

- SB 551 was moved to 3rd Reading. No amendments.

HB 4447 (Robertson)

HB 4447 would make numerous, but generally technical, changes to the Michigan Boxing Act. Supporters of the bill believe that the proposed revisions would not change concepts in the act, but merely how these concepts would work. In particular, the Department of Labor and Economic Growth has identified two provisions that have proven to be unworkable.

- HB 4447 was moved to 3rd Reading. No amendments.

HB 4560 (Moore)

HB 4562 (Newell)

HB 4567 (Booher)

HB 4613 (Caul)

Emerald Ash Borer Package

HBs 4560, 4562, and 4567 would establish penalties related to violating quarantines and provisions related to plant infestations and plant diseases. HB 4613 would provide the Department of Agriculture with the authority to issue state civil infractions.

HB 4560:

- Van Woerkom 1 (S-1) was adopted.
- HB 4560 was moved to 3rd Reading.

HB 4562:

- Van Woerkom 1 (S-1) was adopted.
- HB 4562 was moved to 3rd Reading.

HB 4567:

- Van Woerkom 1 (S-1) was adopted.
- HB 4567 was moved to 3rd Reading.

HB 4613:

- HB 4613 was moved to 3rd Reading. No amendments.